



LUXALPHA SICAV

LUXALPHA SICAV

American Selection

Registered under Part I of the Luxembourg law
of December 20th, 2002

OPMEM

30.3.2004



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0. Introduction

0.1 Release management

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| No. Version 5 | <input checked="" type="checkbox"/> New document | <input type="checkbox"/> Replaces document no. 4 |
|---------------|--|--|

| | |
|-------------|--|
| Description | Contents: Operating Memorandum for LUXALPHA SICAV |
|-------------|--|

| | | |
|-------------|--|-----------------|
| Creation | Author(s): Birchen René | Date: 23.2.2004 |
| Last update | Author(s): Birchen René <i>For changes please refer to "Change History" below</i> | Date: 30.3.2004 |

| | |
|---------------|--|
| File location | |
|---------------|--|

| | |
|----------------|---------------------|
| Change history | Highlighted in blue |
|----------------|---------------------|

0.2 Purpose of this document

The overall purpose of this Operating Memorandum is to ensure that the interaction of all entities involved in this fund runs smoothly, and that operations are performed in a timely and accurate manner.

The Operating Memorandum is to define, document and agree on the workflows and procedures for the major fund administration, NAV and transaction-related working processes

commit to work according to this document until a change appears to be useful and/or mandatory, **and** until all relevant entities have agreed to such a change. If this is the case, a new version of the Operating Memorandum is produced and distributed. The changes are summarized under the section 'Changes since last version'.



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0.3 Explanation of Abbreviations when used in the document

| | |
|---------|---|
| Company | LUXALPHA SICAV – American Selection |
| PM | Portfolio Manager |
| UBSFSL: | UBS Fund Services (Luxembourg) S.A. |
| CAS: | Central Accounting Services, Fund Accounting department, UBSFSL |
| FATH: | Fund Accounting Department, UBSFSL |
| FAOD: | Order Desk, UBSFSL |
| FAFR: | Fund Reporting Department, UBSFSL |
| FIPS | Fund Instrument Pricing Services, UBSFSL |
| FIMD | Fund Instrument Master Data |
| FLPC: | Product Control, UBSFSL |
| FAGA: | General Administration & Price Publication, UBSFSL |
| UBSL: | UBS Luxembourg S.A. - Custodian |
| SECA | Securities Administration, inc. corporate actions, UBSL |
| SETT | Settlements Department, UBSL - |
| TPRO | Transaction Products, UBSL |
| ORDE | Trade Execution, UBSL |
| SUPR | Account Manager for custodian matters |
| LESE | Legal & Compliance |
| BM | Bernard L. Madoff Investment Securities – Sub-Custodian for the US assets of the Fund. |

0.4 Internal UBS codes (Cosofin) and legal structure

| Name of SICAV | |
|-----------------------------------|-----------------------------------|
| LUXALPHA SICAV-American Selection | |
| Internal COSOFIN number | |
| 9175 | |
| Currency of category "A"- shares | Currency of category "B" - shares |
| USD | EUR |

0.5 Financial Year

| | |
|--------------------------------|--|
| Date of Incorporation | 5.2.2004 |
| Luxembourg Commercial Register | B 98.874 |
| Accounting Year End | Last day of December 2004 |
| Shareholders' meeting | 15 th day of May, at 11.30 AM, or on the next following business day. First time in 2005 |

0.6 Promotor

UBS A.G.

0.7 Registered Office

UBS Fund Services (Luxembourg) S.A.

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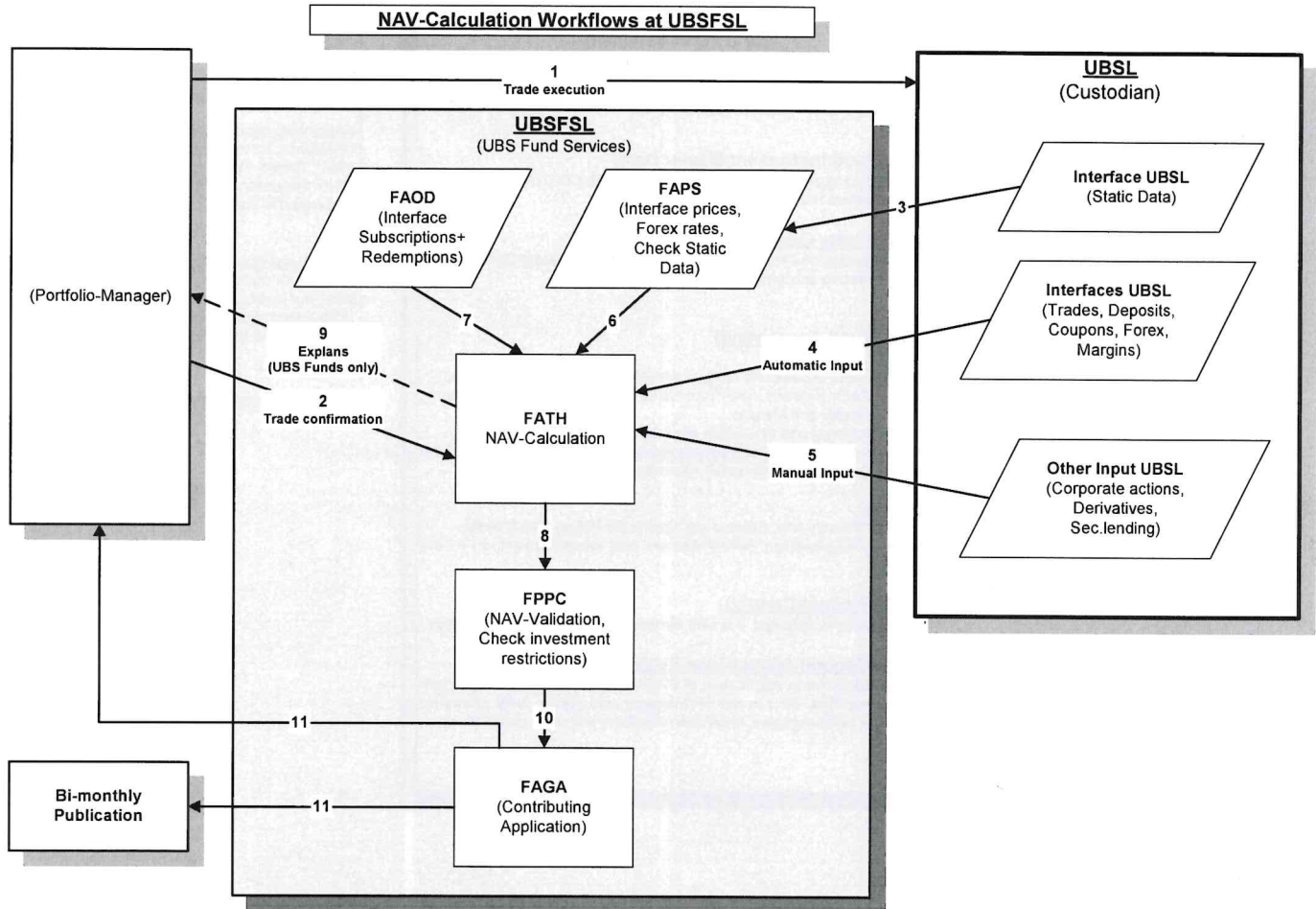
291, route d' Arlon
L-1150 Luxembourg



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1. General NAV calculation workflows

(a) NAV calculation workflows at UBSFSL





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(b) NAV Calculation work-flow – explanatory notes

Explanations on NAV-Calculation workflows at UBSFSL

(Portfolio Manager)

1 PM sends Trades to UBSL-COD for settlement.
2 PM sends trade confirmations to the Fund Accounting Department (FATH). FATH will ensure that transactions coming through interface match with the trades executed.

UBSFSL
(UBS Fund Services)

FIPS (Pricing Desk)

5 Instrument prices and forex rates are input in accounting system by FI FIPS.

FIMD (Fund Instrument Master Data)

6 Static Data opened in OBS / WPS (Interface to COSOFIN and IDAMA) by FIMD before release into Accounting system.

FAOD (Order Desk)

7 The Subscriptions and Redemptions generated by Order Desk (FAOD) are interfaced to accounting system.

FATH (Fund Accounting)

Work processes

- Manual Input of corporate actions, derivatives and securities lending.
- Control of interfaced input from UBSL: Trades, Deposits, Coupons, Forex, Forwards and Margins.
- NAV calculation and verification of exception reports
- Daily reconciliation of security positions of custodian and fund accounting system via automated Asset Reconciliation Tool

Workflows

8. For UBS-Funds only: Explains are send to the PM on a daily basis.
9 After NAV-Calculation, NAV-Prices are sent electronically to FPPC for validation.

FPPC (Product Control)

10 When NAV is validated, it is sent electronically to FAGA for publication.

FAGA (General Admin/Price Publication)

11 The Contributing Application of FAGA sends specific listings (cash reports, portfolio, etc.) to the PF-Manager and sends NAV prices for publication to Newspapers, Information Providers and other destinations.

UBSL
(Custodian)

3 Automatic Input via Interface is done for following transactions booked by UBSL: Trades, Deposits, Coupons, Forex, Forwards and Margins. Trades are booked in the NAV of Trade Date +1.

4 UBSL provides information to UBSFSL for transactions booked by UBSL but for which no interfaces exist. Transactions include corporate actions, derivatives and securities lending.

NAV-Calculation

Frequency: bi-monthly

Deadline: **4:00 P.M.**

Forward pricing: Yes

NAV calculations will be done on a forward pricing basis. Forward pricing means that issues and redemptions of fund shares received on Day 1 will be executed on the basis of the NAV price for Day 1 calculated on the next following business day. Clients subscribing or redeeming fund shares thus do not know the fund price in advance but apply for execution. This technique is the best guarantee for the fair treatment of new, existing and leaving investors in the fund.

The NAV (Net Asset Value) per share is calculated for the 15th and the **last** business day of each month (**each called the “Valuation Day”**). Should the 15th day of the month not be a business day in Luxembourg, the NAV will be calculated for the next following business day.

Due to the considerable delay in the dispatching of the trade confirmations and Broker statements from B. Madoff, the client has accepted that UBSFSL issues the NAV with a delay of up to 10 business days.



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| LUXALPHA SICAV | |
|------------------------------------|-----------------------|
| Sub-fund | American Selection |
| Periodicity: | bi-monthly, see above |
| First NAV by UBSFSL: for : | 31.3.2004 |
| Fund Currency: Category "A" shares | USD |
| Fund Currency: Category "B" shares | EUR |

1.1 Portfolio Evaluation

- For the mid-month NAV, UBSFSL should use prices published by Bloomberg.
- For the month-end valuation, UBSFSL should use the prices used by B. Madoff in their monthly statement.

1.2 NAV Finalisation

Details of the NAV calculation should always be sent to Access International Advisors Europe: E-mail: (aiaeurope@aiagroup.com) for control purposes.

Access International Advisors Europe (Mr. John Baker) will have to approve the NAV, before UBSFSL can release the final valuation.

NAV approval should be sent to the following two e-mail addresses at UBS Fund Services (Luxembourg) S.A. – "FATH department":

E-mail: (carlo.roilgen@ubs.com) and (fernand.faber@ubs.com).

Any **questions** regarding the NAV itself, can be addressed to:

SH-UBSFSL-NAV@UBS.COM to the attention of:

Roilgen Carlo Tel. +352 441010 6535 Fax number +352 441010 6587
Faber Fernand Tel. +352 441010 6532 Fax number +352 441010 6587

1.3 Monthly NAV Reports

- a) Details of the NAV calculation (Shares and Assets Report, **both in "PDF" and "Excel" format**), are to be sent to:

Access International Advisors Europe
e-mail: (aiaeurope@aiagroup.com)
Fax: +44 207 945 6159

and to: Christian Schön / Marco Stemper at UBSL.
(DL-UBSL-INSO-SPECIALCLIENTS@ubs.com)

2. Private Placement of Shares

2.1 General

This section describes the interaction with the subscriber and the Share Register' entity at UBSFSL.

State-of-the art connectivity is supported by the following means
Fax



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WebSRA

Swift

Host to host connection

The Technology department is pleased to give further technical information upon request.

2.2 Information on share categories

| Category A-shares | Category B-shares |
|----------------------------|--|
| ISIN code: LU 01 859386 68 | ISIN code: Lu 01 859410 27 |
| USD shares | EUR shares |
| | Include specific hedging complement under which the non-EUR portfolio assets attributable to it are intended to be hedged against the EUR on a roll-over monthly basis |

2.3 General Information on shares

| | |
|---|---|
| Issue of shares | Non-certificated registered shares |
| Distribution countries | Limited number of investors. The Fund may at its discretion refuse subscription requests |
| Listing on Stock Exchange | No |
| Initial subscription period | 11.2. to 19.3.2004 |
| Payment for initial subscription | March 26 th , 2004 at the latest |
| Initial subscription price | USD/EUR 1000.00 |
| Minimum initial investment and holding amount for A-shares | USD 100 000.00 |
| Minimum initial investment and holding amount for B-shares | EUR 100 000.00 |
| Subscription fee in favor of the intermediary | Up to 5% of the NAV per share (only upon pre-advice given on the subscription form) |
| Redemption fee | None |
| Subscription proceeds receivable | At latest on the 3 rd business day in Luxembourg after the Valuation Day |
| Payment of redemption proceeds | Within 10 business days after the Valuation Day |

2.4 Subscriptions

2.4.1 General

a) The NAV (Net Asset Value) calculations will be done on a forward pricing basis. Forward pricing means that issues and redemption of fund shares will be executed at the NAV-price of the same day, which will be calculated and published on the following day. Clients subscribing or redeeming fund shares thus do not know the fund price in advance but apply for execution. This technique is the best guarantee for the fair treatment of new, existing and leaving investors of the fund.



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b) UBS Fund Services (Luxembourg) S.A. (the Agent) usually only accepts subscription and redemption requests coming from institutional clients, from UBS Private Banking (on behalf of the private clients having opened a bank account with UBS) or from the main distributor.

Subscriptions by the **private clients** will therefore have to be placed via the clients' house banks in their country of domicile or via UBS PB in Luxembourg or in Switzerland.

Exceptionally, for the needs of the LUXALPHA SICAV, UBSFSL will accept to open registered accounts for a restricted number of HNWI Individuals, provided they receive all the legally prescribed identification documents in authenticated form.

2.4.2 Subscription via client's bank.

The client will place his subscription order with his bank. The client's bank will then subscribe in its own name, on behalf of its client. It will debit its client's cash account and credit his security account upon reception of the subscription confirmation. The client will be informed via bank statement of his newly acquired Fund shares.

The bank should fax its subscription order directly to UBSFSL in using the following subscription template.

2.4.3 Subscription via UBSL Private Banking in Luxembourg.

Clients can alternatively open a bank account with UBSL WM for a minimum value of EUR 200 000.

UBSL WM clients can then place their subscription orders directly via the Luxembourg UBS Client Adviser.



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2.5 Subscription procedure

- a) Subscriptions can only be made for an amount of money.
- b) Instructions have to be received by UBS Fund Services (Luxembourg) SA at latest **by 4 PM Luxembourg time** on a business day preceding the Valuation Day. Any dealing instruction received on the Valuation day or thereafter will be carried forward to the next Valuation Day.
- c) Payment of subscription monies must be generated via an institution that is authorized to accept client monies (like banks). Such institutions are submitted to the anti-money-laundering regulations of the Financial Action Task Force (FATF). Subscriptions have to be paid in the base currency of each respective sub-fund at latest on the **3rd bank business day**, in Luxembourg, after the Valuation Day.
- d) Institutional clients like banks or insurance companies can ask to settle their subscription or redemption orders either through a Clearing House like Clearstream or ask UBSL/UBSFSL to book the Fund shares to a **safe-custody account** in their name, to be opened with UBSL. In this latter case the subscription monies will have to be paid to the correspondent bank account of UBSL in favor of the Fund (see chapter on bank accounts).
- e) Share-holdings will in principle be registered in non-certificated registered form. Fractional entitlements will be recognized to three decimal places. Share certificates will only be issued upon special request. Investors will either receive a confirmation of their registration in the Shareholders' Register of the SICAV.

Registered Units: UBSFSL will confirm the entry in the Fund's Register of Shareholders and give payment instructions to the respective banks. The Banks on their side will debit their underlying client bank accounts.

2.5.1 Subscription fee

According to Prospectus: up to 5 % **in favor of the intermediary**.

2.6 Redemptions

2.6.1 General

Redemptions can **only** be made **for an amount of shares**.

Redemption instructions must be received by UBSFSL at latest by 4 PM on a business day on which the redemption is to occur. Any dealing instruction received after that time will be carried forward to the next Valuation Day.

2.6.2 Redemption fee

None

Redemption monies will be paid in the base currency of each respective sub-fund at latest on the **10th bank business day**, in Luxembourg, after the Valuation Day.

2.7 Conversions

N/a



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2.8 Flow of Subscription/Redemption monies between Custodian and Sub-Custodian

Daily subscription and redemption amounts need to be communicated by UBSFSL – Unit Order Desk (manager: Mrs.Carol Kohll) to the portfolio manager of the fund (DL-UBSL-INSO-SPECIALCLIENTS@ubs.com), with a copy to UBSL – SUPR (e-mail: (dl-ubsl-pbs-suprteam1@ubs.com)).

- POMA will convert all EUR amounts into USD and communicate the USD amount to SUPR.
- SUPR will book the subscription monies in favor of the Fund and move them to the Fund's account with the sub-custodian. Simultaneously they will advise **Access International Advisors Europe** of the total redemption proceeds to be received from the sub-custodian and of the relevant value date.
- Upon receipt of the redemption monies from the sub-custodian, UBSL will pay the redemption proceeds to the respective shareholders at latest on the 10th business day, in Luxembourg, after the Valuation Day. Amounts in USD, which need to be paid out in EUR, will first have to be converted into EUR by POMA.

POMA to check if any margins should be taken or if the Fund should receive the trading price!!

2.9 Reporting on subscription / redemption activity

- A daily detailed list of investing / redeeming clients and the corresponding investments / disinvestments should be sent to:

1) UBSL-HIWE, Serge Karp / René Birchen

2) Access International Advisors [Luxembourg](#)

[Attn. Mr. Patrick Littaye](#)

[12, rue Eugène Ruppert](#)

[La Cloche d'Or](#)

[L-2453 Luxembourg](#)

[E-mail: aialux@aigroup.com](mailto:aialux@aigroup.com)

The release of this information has been agreed by Special Board Resolution.

- The daily net subscription amounts (total amount subscribed and total amount redeemed), without any indication of client name, should be sent to:

Mr. Christian Schön at UBSL-POMA (DL-UBSL-INSO-SPECIALCLIENTS@ubs.com)

2.10 Funding of Redemption proceeds

UBSFSL-SUPR (Rainer Hoffmann) will contact Mr. Franck Di Pascali at B. Madoff (see contact list at the end of this document) in case the Fund would not have sufficient liquidities on its account with UBSL to satisfy outstanding redemption payments. B. Madoff will have to transfer the necessary liquidities to UBSL in due time.



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3. Custody-ship

3.1 Sub-custodian.

UBS (Luxembourg) has appointed Bernard L. Madoff Investment Securities to be sub-custodian with the function of safekeeping holder and settlement and corporate agent of United States securities, cash, derivatives instruments and other assets held or received by the sub-custodian from time to time in the course of the agreement.

For this purpose UBSL has opened segregated accounts (the Account) in the name of UBS (Luxembourg) SA, ref. LUXALPHA SICAV American Selection, with the sub-custodian.

Subscription monies should be wired to:

JP Morgan Chase Bank
40 Wall Street
New York, NY 10015
ABA 021 000 021

For further credit to: *Bernard L. Madoff*
Account No 140 081 703
FBO: UBS Lux-Luxalpha SICAV (1-FR108-3)

The sub-custodian is also appointed as exclusive trader of the Account and the transactions involving the assets of the Fund will be executed and settled under the responsibility of the sub-custodian. In its capacity as Account Trader, the sub-custodian has also been authorized by the Custodian and the Fund to trade directly in securities and options transactions for the purpose of the Account, based on the rules and regulations as defined in the duly signed trading authority.

3.2 Reporting Requirements.

UBSL will keep in its books records reflecting properly all the transactions entered into the Account by the sub-custodian.

For this purpose, the sub-custodian will:

- promptly report by fax as of each trade date the transactions entered into the Account. This information should be sent to UBSL – Settlement Department – Fax No. +352 45121 2736 / 2738.
- Information on Option transactions should be sent to UBSL – Settlement Department – Fax No. +352 45121 2735
- In addition the sub-custodian will send by fax to the Custodian mid-month transactions recapitulative list of the Account.
- Moreover the sub-custodian will mail or cause to be mailed to the Custodian monthly statements of the Account. Such statements will list all of the Fund's securities, instruments and cash and specify whether the Fund's securities and cash are held by the sub-custodian or by or through an agent and the amount of cash held on deposit.

3.3 Remuneration

The sub-custodian is not entitled to charge the Custodian with a custodian fee. Its remuneration will be included in the counter-party price spread for securities and in the brokerage fees for derivatives instruments.



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3.4 Bank Accounts

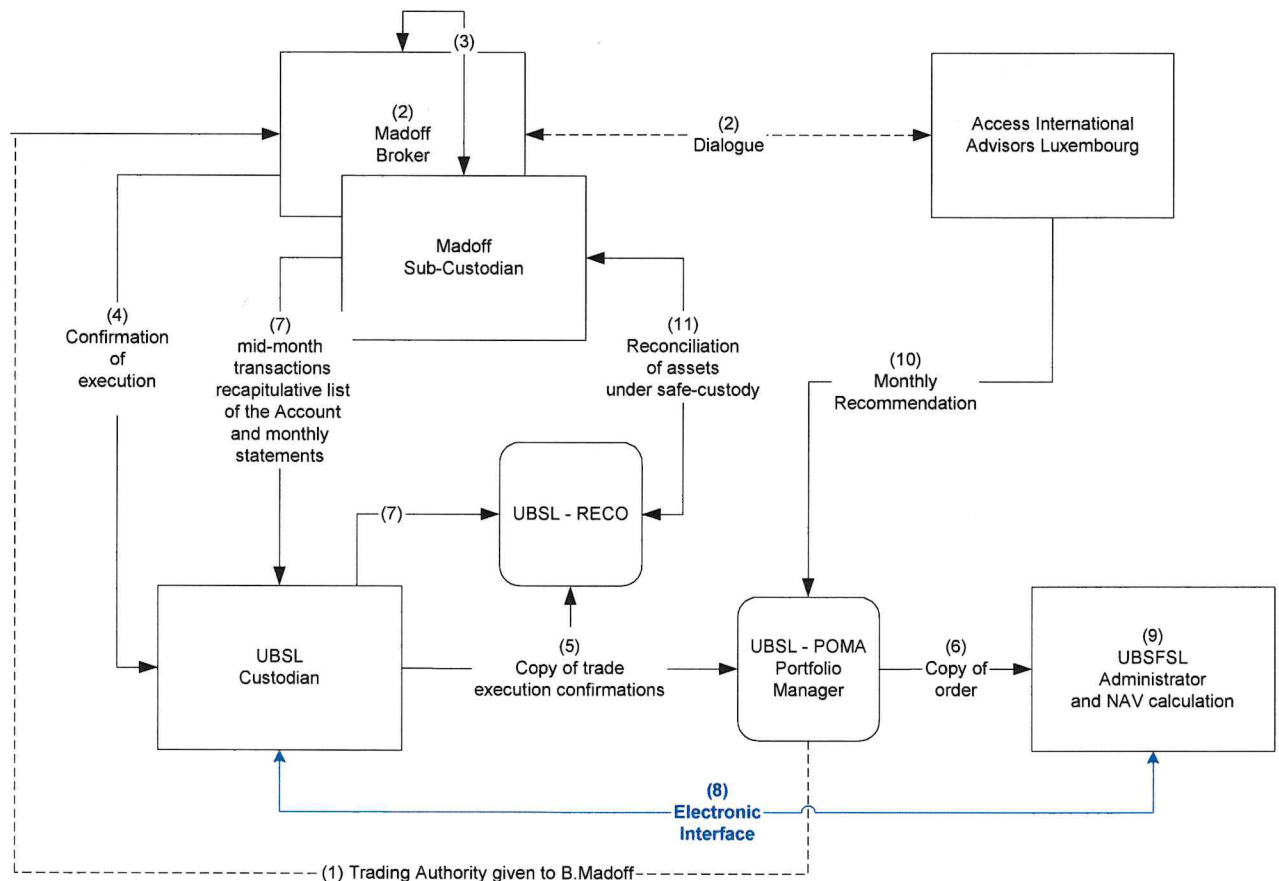
| Main Correspondent Banks for Treasury and Commercial payments of UBSL | |
|---|-------------------------------------|
| EUR UBS Warburg AG, in Frankfurt | 0230-60805.70M SWIFT UBSWDEFF |
| USD UBS AG Stamford Branch, in New York | 101-WA-361135-000 SWIFT UBSWUS33 |
| UBSL Accounts | Accounts |
| LUXALPHA SICAV - American Selection | 5391750 |
| Broker "Bernard L. Madoff Investment Securities" | 9132411 |
| Accounts with Bernard L. Madoff Investment Securities | Accounts |
| UBSL account, ref. LUXALPHA | 1 ER108 |
| Sub-account for shares | 1ER130 |
| Sub-account for options and futures | ER140 |
| Lagerstelle | 2573 |



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4 Portfolio Management

4.1 Workflow Diagram:



4.2 Procedures:

- 1) UBSL – POMA issues Trading authority to Bernard L. Madoff
- 2) Broker Madoff (BM) initiates the trades, based on the strategy as agreed with the Fund Promoter and the Portfolio Manager UBSL **Any investments or sales will be communicated to Access International Advisors Luxembourg.**
- 3) Madoff executes and settles trades
- 4) Any cash and security movements will be communicated by Broker Madoff on a daily basis to: UBSL – Settlement Department – Fax No. +352 45121 2736 / 2738 under the form of trade confirmations and bank statements (Fax with daily serial number). As B. Madoff is at the same time acting as investment trader, broker and sub-custodian, there will only be one single confirmation form issued by BM.



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ETD derivative confirmations should be sent to:

UBSL – Settlement Department – Fax No. +352 45121 2735

5) Any trade confirmations will be collected and booked by UBSL over a period of up to ten business days even after the official NAV valuation date. In fact the official NAV will only be issued with a delay of up to ten business days, in other words once all the trades executed by B. Madoff have been communicated to UBSL and once they will have been booked to the Fund account at UBSL. These will be mirror book entries for reconciliation and NAV purposes.

6) UBSL / Main Custodian provides official Portfolio Manager “UBSL-POMA” and UBSL-RECO with a copy of the trade execution confirmations received from Madoff

7) UBSL-POMA controls the respect of the general investment strategy as laid down in the prospectus, and sends a copy of the trade execution confirmations to UBSFSL – Accounting.

8) Additionally the Sub-custodian Madoff will provide the Main-Custodian UBSL with a mid-month reconciliation list grouping all trade- and cash-flows (contact: UBSL – Settlement Department – Fax No. +352 45121 2736 / 2738). More over the sub-custodian will mail or cause to be mailed to the Custodian monthly statements (dividends included) of the Account. The Custodian will forward this information to UBSL RECO

9) Any entries booked by UBSL will be downloaded via interface into the accounting system of UBSFSL.

10) UBSFSL will reconcile the input of UBSL against the confirmation received from UBSL-POMA and will then calculate the NAV on the days as foreseen in the prospectus of the Fund.

11) Access International Advisors Limited will provide UBSL-POMA (Christian Schön) with a backdated monthly investment recommendation

12) UBSL – RECO will reconcile the UBS book-keeping entries against the documents received from B. Madoff.

4.3 Hedged EURO-share class:

UBSL-POMA (Christian Schön, Tel.- +352 45121 2417 or Marco Stemper , Tel.- +352 45 12 12 232) is responsible for the EUR Hedging of the Category B-shares. Forwards will be used to hedge the Euro share class, with monthly maturity and roll-over.

*They will work closely together with **Access International Advisers Europe**, who should provide POMA with the necessary details of the forex positions. Trade date for the hedging position will always be last business day of the month (NAV calculation day) +1. At this day the Portfolio Manager will have all information concerning the NAV estimate in accordance with Access International Advisers Europe and In- / Outflows and will receive the exact Value of the EUR share class from UBS Fund Services. UBSL-POMA will then verify the Hedge amount with Access International Advisers Europe (John Baker) before entering into hedging activities. Subscriptions / redemptions within the hedge term will be hedged separately until the next end of month NAV calculation +1, a new position will be taken for two weeks.*

POMA will contact the UBSL – TPRO desk (Guy Funck, Tel.- 3010) to ask for valid exchange rates

POMA will send a copy of every exchange transaction to UBSL – SUPR

and to UBS Fund Services (Luxembourg) S.A. – “FATH department”



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SH-UBSFSL-NAV@UBS.COM to the attention of:

Roilgen Carlo Tel. +352 441010 6535 Fax number +352 441010 6587

Faber Fernand Tel. +352 441010 6532 Fax number +352 441010 6587

UBSFSL will book the FOREX transactions (Spot and Forward) at trade date.

4.4 Corporate Action

On the Payment date the sub-custodian will collect all dividends and interests and all other distributions in cash or in securities resulting from the possession of transferable securities and other assets deposited with the sub-custodian and report them to UBSL on a regular basis. UBS has to initiate the necessary bookings into the Fund.

UBSFSL, on their side, will include any corporate action in their NAV calculation as on the Ex-date.

4.5 Control of Investment Restrictions

"The Product Control Department of UBSFSL supervises the respect of the Investment Restrictions on the basis of the official Net Asset Value Calculations.

In case an active breach of the investment restrictions has been detected, the Product Control Department will ask UBSL-POMA in the best delays and ask them to immediately rectify the situation. POMA will then give the necessary instructions to Madoff.

According to the requirements of the **CSSF Circular 2002/77 of 27.11.2002** regarding active breaches of investment restrictions, UBSFSL will inform the Promoter, the Custodian Bank, the CSSF and the external auditor of the fund of the active breach of the investment restrictions. Should this breach generate a loss, then the one who caused the breach will have to indemnify the Fund/injured investors, in principle the PM (see CSSF Circular 2002/77). If he does not pay, the promoter may have to indemnify the Fund/injured investors and may revert to the PM.

Portfolio Manager to be contacted: Mr. Christian Schön / Mr. Marco Stemper



LUXALPHA SICAV

5.2.1 Fee Structure

| | |
|------------------------------------|---|
| Portfolio Management | 80 b.p. p.a. of the Fund's Net Asset Value, of which 60 bp will be retroceded to Access International Advisers Limited and to Access International Advisers Luxembourg. |
| Performance fee | <p>The Sub-fund shall pay quarterly in arrears a performance fee of 16% of the quarterly performance of the Trading Assets over a hurdle rate of 5% per annum; performance means the positive difference between (i) Trading Assets on the last business day of the quarter and (ii) the Trading Assets on the last business day of the previous quarter increased by a hurdle rate of one quarter of 5% per annum (the "Performance Index").</p> <p>Trading Assets means Assets traded by the Portfolio Manager corresponding to the Assets of the Subfund after deduction of liquid assets necessary to pay redemption proceeds, (if any), ordinary expenses and fees, adjusted if appropriate on a pro rata temporis basis for subscription and redemption made during the quarterly period.</p> |
| UBS Set-up fees - inclusive of VAT | EUR 100 000.00 |
| Custody: | 20 bp pa on the Funds net Asset Value |
| Ticket fee per transaction | None |
| + external Brokerage fees | At a rate of 1/1, if any |
| Administration | 5 bp pa of the total Net asset Value |
| Taxe d'abonnement | 0.05% of the total Net Asset Value |

UBSFSL will be responsible for the calculation of the performance fee, which will be checked by Access International Advisers Ltd. (**see chapter on NAV calculation.**)

UBSL will retain a reasonable amount of money on the Fund's account with UBSL to pay our the running costs, like monthly custody fees, ticket fees, CSSF charges and administrative fees.

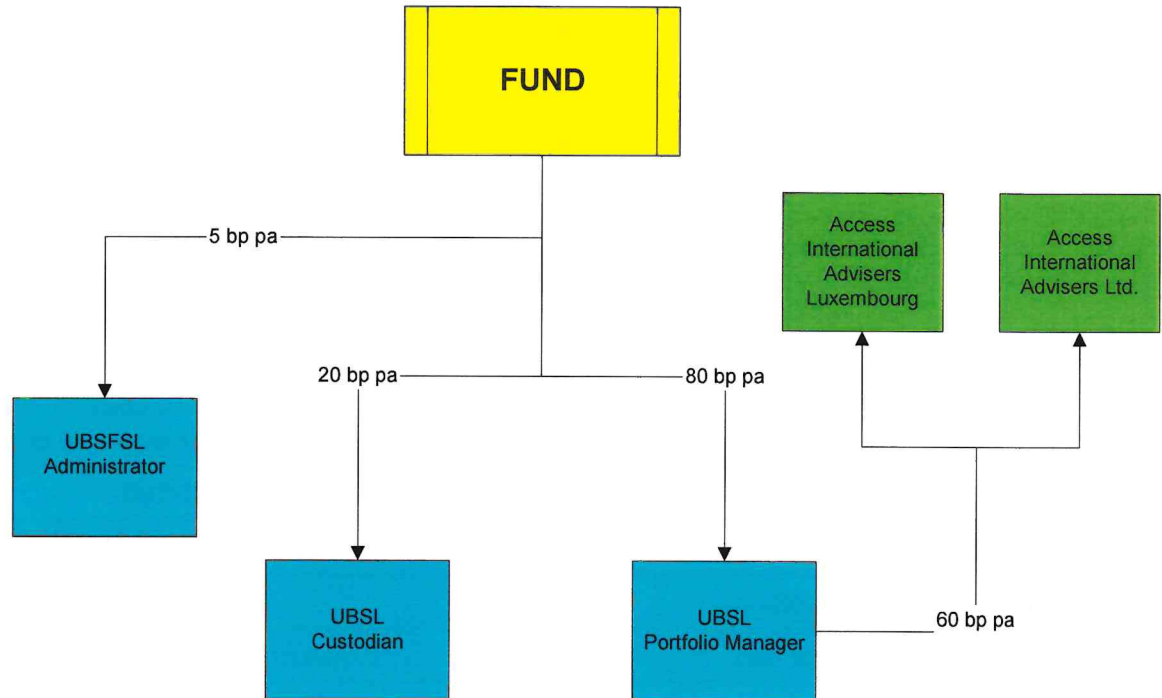
This amount should not exceed the costs for three months.



LUXALPHA SICAV

5. General Administration Services

5.1 Payment of commissions to main service providers



Commissions payable to contractual service providers will be automatically deducted from the Fund's bank account on a monthly basis.

5.2 Payment of invoices from external service providers

Invoices will have to be signed for payment authorization by the Board of Directors or by two persons duly authorized by the Board. There are always two signatures required



LUXALPHA SICAV

5.2.2 Payment instruction for subscription fees (see paragraph 3.2.2), for Portfolio Management fees and for Performance fee

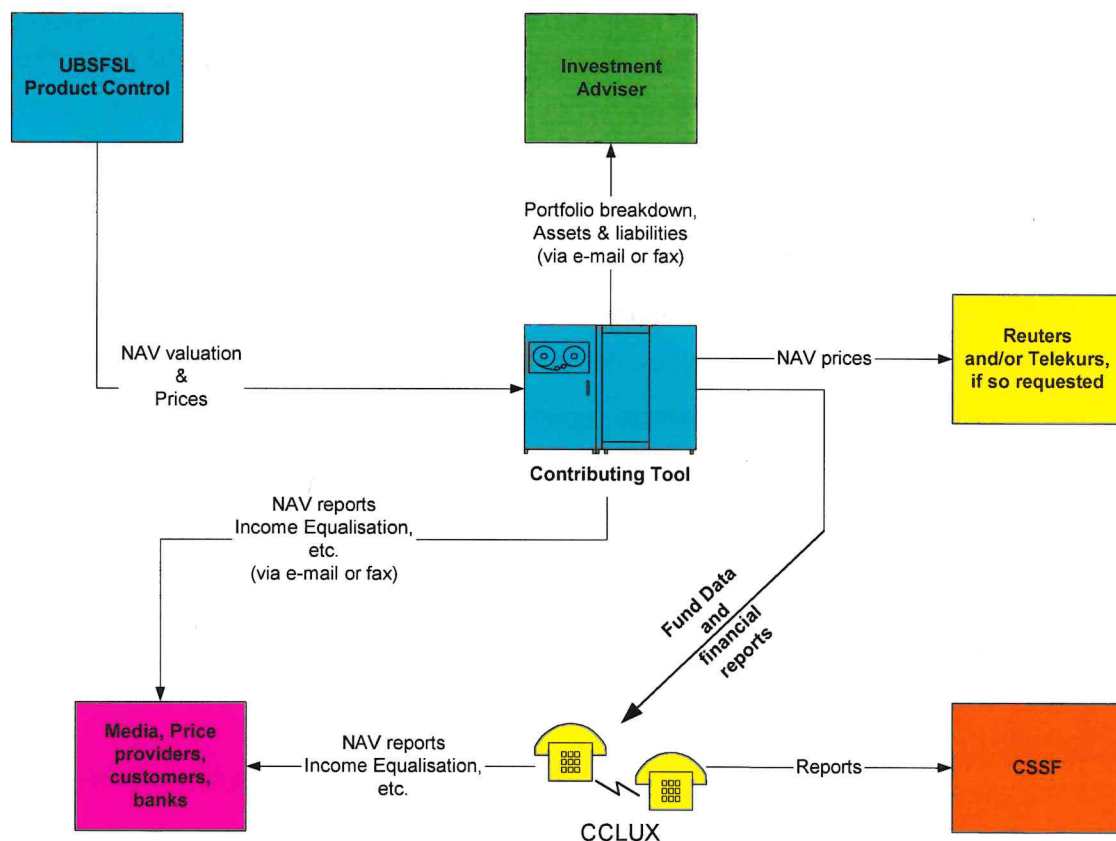
All commissions are to be paid in favor of UBSL – account 946148

Mr. Rainer Hoffmann of UBSL - SUPR, will forward part of this commission to:

| | |
|---|--|
| Access International Advisors Ltd. | Access International Advisors Luxembourg |
| Bank: will be provided at a later stage | Bank: will be provided at a later stage |
| Account: ????? | Account: ????? |

5.3 Contributing of NAV to media and to quote providers

5.3.1 Data Flow



5.3.2 Publication of prices and other Fund information

Fund prices are to be published on Bloomberg.



LUXALPHA SICAV

6. Annual General Meeting

The annual general meeting shall be held at the registered office of the Company on May 15th, at 11.30 AM, and for the first time in 2005.

UBSFSL will be in charge of drawing up (1) the convening notice of the annual general meeting of shareholders and such notice shall contain the agenda and shall take the form of announcements published twice, with a minimum interval of eight days, and eight days before the meeting, in the Mémorial and in a Luxembourg newspaper, (2) the proxy to attend to such annual general meeting.

Registered shareholders will be convened by mail.

UBSFSL will also be in charge of drawing – up the minutes of the annual general meetings, to deposit and publish the annual accounts.

The duties mentioned under paragraph 2 of this section shall also apply to meetings of shareholders which decide on amendments to the articles of association or on the winding up and liquidation of the Company.

7. Fund Reporting

7.1 Reporting to the investors

7.1.1 Annual and semi-annual reports

The financial year of the Fund ends on the last day of December and for the first time in 2004.

According to Luxembourg Law, financial reports have to be prepared for the Fund.

- The annual reports must be published within four months after the financial year-end. In the case of Investment Companies (SICAV) the audited annual report must however be available 2 weeks before the annual general meeting. The non-audited semi-annual report must be published within two months of the end of period

During the audit of the annual report, several documents have to be signed by the Board of Directors of the SICAV.

- Letter of confirmation (beginning of audit)
- Representation Letter (end of the audit)

The two documents have to be duly signed by two **UBS** Board members of the SICAV.

7.1.2 Special reporting requirements

- Electronic access to E-Statement
- Per NAV calculation:
 - Standard NAV report (Shares & Assets Report)
 - Portfolio Breakdown on Excel spreadsheet
 - Subscription / redemption activity report (see chapter 3.6

To be sent to: Mr. Jean-Pierre Delamaire, Chief Financial Officer at Access International Advisors Europe.
E-mail: aiaeurope@aiagroup.com



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7.2 Reporting to Supervisory Authorities

7.2.1 Reporting to the Luxembourg Supervisory Authority (CSSF), Luxembourg Central Bank BCL and European Central Bank (ECB)

UBSFSL will submit the financial reports to the CSSF within the legal deadlines.

The Fund Reporting Department of UBSFSL is also responsible for:

- the electronic reporting to the Luxembourg Regulatory Authority and the Central Bank of Luxembourg, which includes the drafting of monthly and annual reports within the legal deadlines as well as the electronic reporting to the ECB for Money Market Funds

8. Communication / Connectivity

- By E-mail and by Fax
- Electronic access to E-Statement

9. Client Relationship Management

9.1 Client Adviser and Relationship Managers

CA is Mrs. Viviane De Angelis

9.2 HIWE - Local co-ordination and Quality Supervision

Local co-ordination of the whole Luxembourg Investment Fund product is with UBSL- **HIWE**. Any major issues, planned changes to the Fund's strategy or other Fund business related topics should directly be addressed to the Head of the team - Mrs. Viviane De Angelis (Managing Director). UBSL- HIWE will also take care of **monitoring general client satisfaction**, with regard to the services offered by both UBSFSL and UBSL.

| | | Telephone | Fax | E-mail |
|------------------------------|--------------------|------------------|-----------------|----------------------------|
| UBSL Head of HIWE | Viviane De-Angelis | +352 45 121 2151 | +352 45121 2747 | viviane.de-angelis@ubs.com |
| Legal issues | Serge Karp | +352 45 121 2152 | +352 45121 2747 | serge.karp@ubs.com |
| Fund issues | René Birchen | +352 45 121 2153 | +352 45121 2747 | rene.birchen@ubs.com |
| PB issues | Romain Kirsch | +352 45 121 2155 | +352 45121 2747 | romain.kirsch@ubs.com |
| | François Godard | +352 45 121 2212 | +352 45121 2747 | francois.godart@ubs.com |

9.3 Portfolio Management

| | | Telephone | Fax | E-mail |
|-------------------------------------|-------------------------------------|------------------|-----------------|--------------------------|
| Contact | DL-UBSL-INSO-SEPCIALCLIENTS@ubs.com | | | |
| Head of Portfolio Management | Christian Schön | +352 45 121 2417 | +352 45121 2732 | Christian.Schoen@ubs.com |



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| | | | | |
|--|-----------------|------------------|-----------------|-------------------------|
| | Marco Stemper | +352 45 121 2232 | +352 45121 2732 | Marco.Stemper@ubs.com |
| | Corrado Olivito | +352 45 121 2421 | +352 45121 2732 | Corrado.Olivito@ubs.com |

9.4 Custody Services – Account Manager

For day to day business enquiries the PM should revert to his Account Manager within UBSL, in the SUPR department. Account Manager is Mr. Rainer Hoffmann.

| | | Telephone | Fax | E-mail |
|---------------------------|-----------------|-------------------|-----------------|-------------------------|
| UBSL Custodian | Rainer Hoffmann | +352-451 121 2547 | +352-45121 2730 | rainer.hoffmann@ubs.com |

9.5 Internal P&L Accounting within UBSL

For internal accounting purposes this Fund will be registered in Luxembourg under the HIWE desk / Mr. François Goddard (GDF); **Filiale DAV.**

10. Contacts and addresses

10.1 Addresses

| | |
|---------------|--------------------------------------|
| Client | Access International Advisors Europe |
| Fund Name | LUXALPHA SICAV-American Selection |
| Fund Domicile | UBSFSL |

| | |
|---------------|---|
| Legal Adviser | Pierre Delandmeter |
| Address | 8-10, avenue Marie-Thérèse L-2132 Luxembourg |

| | |
|-------------------|--|
| Portfolio Advisor | Access International Advisors Luxembourg / care of Access Europe |
| Address | 5 / 11 Lavington Street London SE1 ONZ UK |

| | |
|-------------------|--------------------------------------|
| Portfolio Manager | UBS (Luxembourg) SA |
| Address | 36-38 Grand-Rue L-1660 Luxembourg |

| | |
|-----------|--------------------------------------|
| Custodian | UBS (Luxembourg) SA |
| Address | 36-38 Grand-Rue L-1660 Luxembourg |

| | |
|---------------|--|
| Sub-Custodian | Bernard L. Madoff Investment Securities LLC |
| Address | 885, Third Avenue, New York NY 10022-4834 |

| | |
|---------------|-------------------------------------|
| Administrator | UBS Fund Services (Luxembourg) S.A. |
|---------------|-------------------------------------|



LUXALPHA SICAV

| | |
|---------|---|
| Address | 291, route d'Arlon L-1150 Luxembourg |
| Auditor | Ernst & Young S.A. |
| Address | 7, Parc d'Activité Syrdall L-5365 Munsbach |

10.2 Contact List of UBS (Luxembourg) for Bernard L. Madoff:

Network Management / Custody:

Klaus Kieft
phone +352-45 12 12 305
fax +352-45 12 12 716
klaus.kieft@ubs.com

Settlements:

Dorthe Brandt
phone +352-45 12 12 304
fax +352-45 12 12 738
dorthe.brandt@ubs.com

Corporate Actions:

Tanja Lieth
phone +352-45 12 12 325
fax +352-45 12 12 702
tanja.lieth@ubs.com

Entitlements:

Ralf Boudier
phone +352-45 12 12 317
fax +352-45 12 12 702
ralf.boudier@ubs.com

Cash proceeds:

Paolo Barsi
phone +352-45 12 12 270
fax +352-45 12 12 705
paolo.barsi@ubs.com

O + F:

Alexis Engel
phone +352-45 12 12 267
fax +352-45 12 12 735
alexis.engel@ubs.com



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Reconciliation:

Charles Maus

phone +352-45 12 12 300

fax +352-45 12 12 722

charles.maus@ubs.com



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10.3 Contacts at UBSFSL - Administrative Agent in Luxembourg

| Administrative Agent - UBSFSL | | Telephone | Facsimile | e-mail |
|---|-------------------|------------------|-----------------------|---------------------------|
| Fund Operations - Head | | | | |
| | Jean-Paul Gennari | +352 441010 6503 | +352 441010 6417 | jean-paul.gennari@ubs.com |
| NAV Processing | | | | |
| Head | Aloyse Hemmen | +352 441010 6500 | | aloyse.hemmen@ubs.com |
| Trade Processing | | | | |
| | Alain Lucas | +352 441010 6555 | | alain.lucas@ubs.com |
| NAV Calculation | | | | |
| | Fernand Faber | +352 441010 6532 | | fernand.faber@ubs.com |
| Fund Reporting | | | | |
| | Anita Thoennes | +352 441010 6340 | +352 441010 6349 | anita.thoennes@ubs.com |
| Operations and Product Support | | | | |
| Head | David Lahr | +352 441010 6505 | | david.lahr@ubs.com |
| Pricing Services | | | | |
| Head | Robert De-Jong | +352 441010 6429 | +352 441010 6919 | robert.de-jong@ubs.com |
| | Guy Jacoby | +352 441010 6414 | +352 441010 6919 | guy.jacoby@ubs.com |
| Order Desk for Subscriptions / Redemptions | | | | |
| | Carol Kohll | +352 441010 6595 | +352 441010 6417/6418 | carol.kohll@ubs.com |
| Product Control | | | | |
| | Valérie Bernard | +352 441010 6360 | +352 441010 6248 | Valerie.Bernard@ubs.com |

10.4 Client Contacts

| | Telephone | Facsimile | e-mail |
|---|------------------|------------------|--|
| Bernard L. Madoff Investment Securities LLC: | 001 212 230 2424 | 001 212 486 8178 | None |
| Mr. Franck Di Pascali | 001 212 230 2461 | 001 212 838 4061 | |
| Legal Adviser: Pierre Delandmeter | 467711-1 | 467711-250 | delandlo@pt.lu |
| Access International Advisors Europe | 0044 2079 456155 | 0044 2079 456159 | (aiaeurope@aigroup.com) |



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